

Initiative 976

Potential Impacts on the City of Seattle and
the Seattle Transportation Benefit District



Seattle Transportation Benefit District

- 99 active TBDs state-wide, 62 of which collect vehicle fees
- STBD Prop 1 currently generates approximately \$54.5 million annually, with 55% of the revenues in 2019 coming from sales tax (\$30 million) and 45% of the revenues from the \$60 VLF (\$24.5 million). In addition, Council-approved \$20 VLF is about \$8 million per year.
- STBD collects revenue through \$80 VLF and 0.1% Sales Tax
 - 2011 – Council-approved \$20 VLF
 - 2014 – Voter-approved STBD Proposition 1 (\$60 VLF & 0.1% sales tax)



Initiative 976 - Direct City of Seattle Impacts

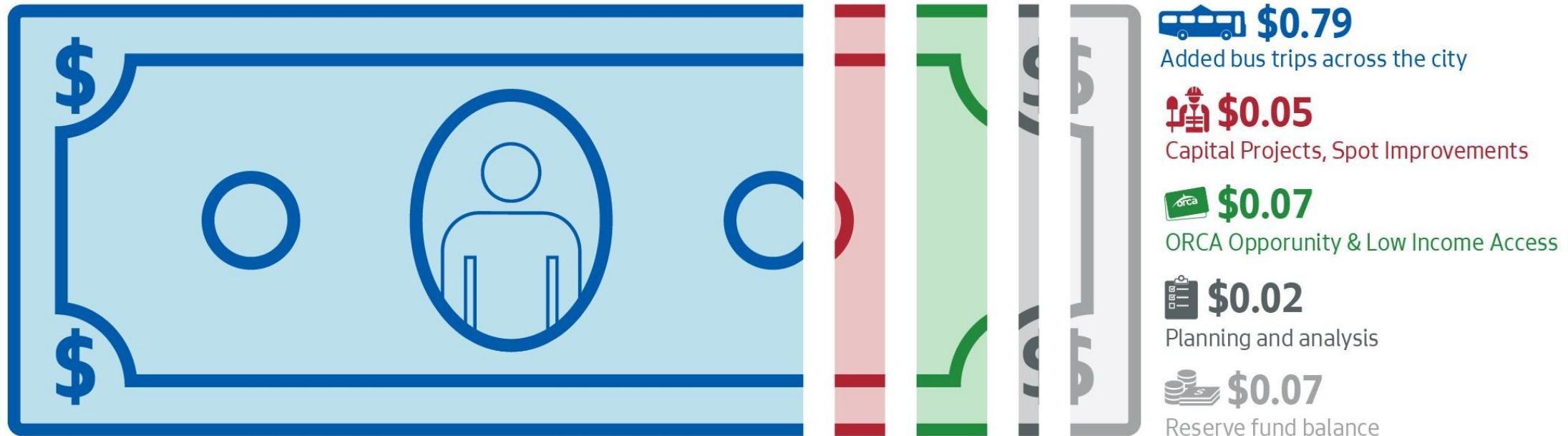
- I-976 Impacts: \$32M annually (\$24M for transit, \$8M for basic services)
 - \$24M annually from \$60 VLF to fund improved transit service, low income access to transit, transit capital programs, and ORCA Opportunity through 2020
 - \$8M annually from \$20 VLF to fund basic services



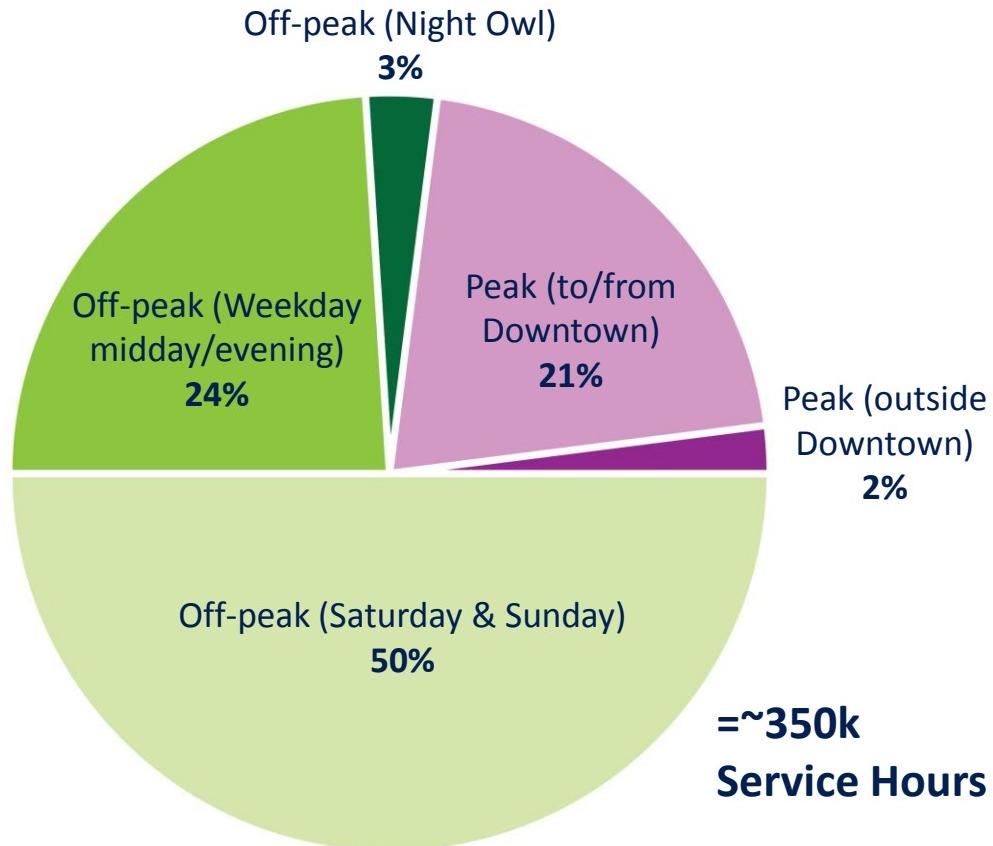
How STBD revenue is programmed (\$60 VLF and 0.1% Sales Tax)

STBD Spending Breakdown, per Dollar 2015 - 2018 Actuals, 2019 Revised, 2020 Proposed

\$0.91 of every dollar collected through STBD Proposition 1 goes directly towards improving transit service and access in Seattle



Transit Service Funded by STBD (VLF and Sales Tax)



- Transit Service Priorities and peak/off-peak breakdown overlap
 - E.g. Improving a route that serves Downtown to 15-minute service both improves the Frequent Transit Network and improves downtown mobility (Routes 1, 11, and 14)
- Individual investments can help address many priorities



Programs Funded by \$20 VLF

| Programs Partially Funded by \$20 VLF | Total 2019 Budget (\$ in millions) | Portion Funded by \$20 VLF | \$20 VLF Portion as % of Total Budget ¹ |
|---------------------------------------|---------------------------------------|-------------------------------|--|
| <u>Capital</u> | | | |
| Neighborhood Traffic Control | \$ 0.31 | \$ 0.31 | 100% |
| PMP - Stairways | \$ 1.36 | \$ 0.75 | 55% |
| BMP - Protected Bike Lanes | \$ 9.17 | \$ 1.09 | 12% |
| Arterial Major Maintenance | \$ 6.16 | \$ 0.62 | 10% |
| Non-Arterial St Resurfacing & Rest | \$ 1.77 | \$ 0.16 | 9% |
| Transit Corridor Improvements | \$ 11.82 | \$ 0.92 | 8% |
| SDOT ADA Program | \$ 8.43 | \$ 0.63 | 7% |
| PMP - Crossing Improvements | \$ 3.69 | \$ 0.04 | 1% |
| Total Capital | \$ 42.71 | \$ 4.50 | 11% |
| <u>O&M</u> | | | |
| Pothole Repair | \$ 2.51 | \$ 2.24 | 89% |
| Curb and Pavement Marking | \$ 1.45 | \$ 0.22 | 15% |
| Citywide & Community Planning | \$ 1.61 | \$ 0.23 | 14% |
| Street Cleaning Services | \$ 3.71 | \$ 0.44 | 12% |
| Transportation Operations | \$ 1.56 | \$ 0.14 | 9% |
| Signal Operations | \$ 2.26 | \$ 0.07 | 3% |
| Total O&M | \$ 13.10 | \$ 3.34 | 25% |
| Total | \$ 55.81 | \$ 7.84 | 14% |

¹ May vary from year to year

- \$20 VLF funds the majority of some basic service programs such as pothole repair and neighborhood traffic control
- I-976 passage would result in an \$8.3M reduction in revenue in 2020



Next Steps

- Legal Action on Unconstitutional I-976
- \$20 VLF
 - One-time 2020 Budget Proposal
- \$60 VLF
 - \$20 million in reserves to ramp down
 - City and SDOT working on a long-term funding plan in the event our lawsuit fails in Court
 - No service disruptions until March when ***at least 100,000 hours*** will need to be cut in 2020
 - ORCA Opportunity funded through only the end of Summer 2020



Principles for Potential Cuts

110,000 service hours are at risk in 2020

- Minimize impact on transit dependent communities using RSJI lens
- Reducing trips with lower demand, including off-peak, weekend and first mile/last mile services
- Maintaining maximum service in Center City for downtown mobility